



**IMPLEMENTATION PLAN
FOR THE PERIOD
of
July 2008 – June 2013
for the
CROSSROADS
REDEVELOPMENT PROJECT**

**Adopted: _____, 2008
Document No. R-_____
Filed: _____, 2008**

The Redevelopment Agency of the City of San Diego

The Redevelopment Agency of the City of San Diego Second Implementation Plan

I. INTRODUCTION

This Implementation Plan (the “Plan”) is being prepared and adopted in accordance with the requirements and guidelines of California Community Redevelopment Law. This Plan identifies the goals, objectives, anticipated revenues, project, and program activities planned for the second five year period of the Crossroads Redevelopment Project, including very low, low and moderate income housing activities. It is anticipated that all statutory low and moderate income housing set aside funds generated by this Project will be used to provide housing within the Project Area and through a collaborative effort of the City of San Diego Redevelopment Agency, Southeastern Economic Development Corporation, Centre City Development Corporation, and the San Diego Housing Commission. This Plan will be reviewed annually as appropriate.

The Crossroads Redevelopment Plan was adopted May 6, 2003 to eliminate conditions of blight within the Project Area by stimulating revitalization, new construction and upgrading of residential, commercial, office and public properties and facilities within and surrounding the Project Area. The First Crossroads Redevelopment Project Implementation Plan was adopted by the City of San Diego Redevelopment Agency as Document No. 03613 on April 22, 2003.

The Crossroads Redevelopment Project Area encompasses approximately 1,031 acres within two community plan areas (College Area and Mid-City Communities Plan). The College Area and Mid-City Communities Plan will guide redevelopment efforts undertaken by this implementation plan. A Planned District Ordinance (PDO – Central Urbanized Planned District) has also been adopted by the City Council to carry out the community plans. All Redevelopment projects will comply with the adopted land use plans.

The Crossroads Redevelopment Project provides eminent domain authority for a 12-year period (terminating May 6, 2015); authority to establish loans, advances, and indebtedness a 20-year period (terminating May 6, 2023); plan activities for a 30-year period (terminating May 6, 2033); and repayment of indebtedness for plan activities for a 45-year period (terminating May 6, 2048).

Eminent Domain	Loan, Advances and Indebtedness	Plan Activities	Repayment of Indebtedness
May 6, 2015	May 6, 2023	May 6, 2033	May 6, 2048

During the past five years, projects and programs have been implemented to address the conditions of blight within the Crossroads Redevelopment Project Area and achieve the goals and objectives of the Redevelopment Plan. Some of the accomplishments have been carried out by the City of San Diego (“Council”) and its Redevelopment Agency (“Agency”). Projects have also been carried out by private entities, with or without City and Agency financial and other support.

The Redevelopment Agency has been working with communities, neighborhoods and the Crossroads Project Area Committee (“PAC”) in identifying the constraints and opportunities of this Project Area. The goals and objectives of this Project Area as well as the proposed redevelopment actions are discussed in this Plan and related redevelopment documents. The Agency will continue to work with property owners, business owners, communities, neighborhoods, Business Improvement Districts and PAC to retain, attract and secure new investment and development through the term of the Redevelopment Project.

II. DESCRIPTION OF PROJECT AREA BLIGHTING CONDITIONS

Conditions of blight within the Project Area will be addressed by the development of the proposed projects and programs described within this work plan. The physical and economic conditions of blight that exist in the Project Area have become a burden on the community that cannot be reversed or alleviated without the assistance of the Redevelopment Agency through the authority of the California Community Redevelopment Law (“CCRL”). The physical and economic conditions described in the CCRL that exist in the Crossroads Redevelopment Project Area include the following:

Physical blight includes the following:

- Buildings in which it is unsafe or unhealthy for persons to live or work. These conditions can be caused by serious building code violations, dilapidation and deterioration, defective design or physical construction, faulty or inadequate utilities, or other similar factors.
- Factors that prevent or substantially hinder the economically viable use or capacity of buildings or lots. This condition can be caused by substandard design, inadequate size given present standards and market conditions, lack of parking, or other similar factors.
- Adjacent or nearby uses that are incompatible with each other and which prevent the economic development of those parcels or other portions of the project area.
- The existence of subdivided lots of irregular form and shape and inadequate size for proper usefulness and development that are in multiple ownership.

Economic blight includes the following:

- Depreciated or stagnant property values or impaired investments, including, but not necessarily limited to, those properties containing hazardous wastes that require the use of Agency authority.

- Abnormally high business vacancies, abnormally low lease rates, high turnover rates, abandoned buildings, or excessive vacant lots within an area developed for urban use and served by utilities.
- A lack of necessary commercial facilities that are normally found in neighborhoods, including grocery stores, drug stores, and banks and other lending institutions.
- Residential overcrowding or an excess of bars, liquor stores, or other businesses that cater exclusively to adults that has led to problems of public safety and welfare.
- A high crime rate that constitutes a serious threat to the public safety and welfare.

The CCRL also provides that deficient public improvements may be identified as a blighting condition under circumstances including the presence of physical and economic blight.

The Agency's goals, objectives, programs and projects presented in this Implementation Plan are designed to alleviate and/or eliminate blight in the Crossroads Project Area.

III. SPECIFIC GOALS AND OBJECTIVES OF THE REDEVELOPMENT AGENCY FOR THE PROJECT AREA

The Plan delineates the Agency's redevelopment goals and objectives for the Crossroads Redevelopment Project Area. These goals and objectives, which are listed below, were employed to formulate the overall strategy for this Implementation Plan and will serve as a guide for the Agency's activities during the next five years.

- Eliminate and prevent the spread of blight and deterioration, and redevelop the Redevelopment Project Area in accordance with the General Plan, applicable Community Plans, this Plan, and local codes and ordinances;
- Enhance economic growth within the Project Area by continuing ongoing efforts to revitalize commercial areas, particularly the commercial corridors along El Cajon Boulevard and University Avenue, nodes at Billman/College and Redwood/54th and evaluate establishing Business Improvement Districts (BID), Maintenance Assessment Districts (MAD) or other Districts when and if appropriate;
- Enhance and promote new development opportunities such as commercial, residential (market rate and affordable), mixed-use and employment.
- Improve the flow of traffic, relieve congestion on commercial and residential streets located within the Project Area and otherwise enhance the quality of pedestrian and vehicular mobility, and improve transportation facilities, which support the vitality, safety and viability of the Project Area;
- Alleviate the shortage of commercial and residential parking while avoiding negative impacts on residential neighborhoods by implementing a coordinated and comprehensive plan for the proportional distribution and proper configuration of parking spaces and facilities;

- Expand employment opportunities for Project Area residents by encouraging and improving accessibility of employment centers within and outside the Project Area;
- Improve public infrastructure and undertake feasible public improvements in, and of benefit to, the Project Area, such as widening, connecting, reducing or otherwise modifying existing roadways or creating additional streets, walkways, and paths for proper pedestrian and/or vehicular circulation;
- Expand recreational opportunities of Project Area residents by developing park facilities at North Chollas Park per the approved General Development Plan (“GDP”), recreation facilities at South Chollas Park and by identifying, acquiring, and developing neighborhood parks, joint use parks and green spaces where there is a deficiency in local parks and landscape buffer zones. [Crossroads Park Working Group, Summary Report and Recommendations of May 12, 2005];
- Preserve existing single-family and multiple-family housing stock and provide choices for potential buyers of new and rehabilitated housing opportunities;
- Create an attractive and pleasant environment within the Project Area;
- Focus on retention, expansion and attracting neighborhood supporting and serving businesses and work with local organizations (BID’s, MAD’s, Community Councils and Neighborhood Associations);
- Provide assistance during the permitting process for projects within the Project Area;
- Support enforcement of municipal code violations.
- Provide for safe and enhance pedestrian access to commercial establishments and transit along commercial and transit corridors;
- Provide assistance and support for energy conservation, energy efficiency, sustainability and water conservation (i.e., xeriscape).
- Support advanced crime prevention measures in the Project Area.

IV. SPECIFIC PROGRAMS, POTENTIAL PROJECTS AND EXPENDITURES PROPOSED TO BE MADE DURING THE NEXT FIVE YEARS

Financial Resources:

The development projects and programs identified in this Plan are dependent upon attracting qualified property owners, developers and obtaining the funds to finance the projects or

programs. The expenditures projected for the next five years are anticipated to include costs for Agency Project administration and implementation (such as property acquisition, relocation, new development, site preparation, transportation/infrastructure projects or improvements, and the provision of affordable housing) and debt service payments related to the issuance of debt.

Twenty percent (20%) of the annual tax increment allocation will be set aside in the Housing Fund for the development of affordable housing. In accordance with the statutory pass-through formula additional shares of tax increment are to be distributed to the following local taxing entities: 1) San Diego Unified School District, 2) County General Fund, 3) San Diego Community College, 4) County Schools, 5) City General Fund, and 6) County Water Authority.

The following formulas are used to calculate the pass-through payments:

Fiscal Year(s)	Percentage of annual Tax Increment	Total Percentage of annual Tax Increment
Years 1 – 45	25%	25%
Years 11 – 45	25% + 21%	46%
Years 31 – 45	25% + 21% + 14%	60%

Table 1 presents a projection of revenues the Agency may have available over the next five years to fund Plan activities and programs. The table presents the annual projected gross tax increment receipts, low and moderate housing set-aside requirement, statutory payments to affected taxing entities, and the remaining net revenues allocated to non-housing projects. Over the five years of the Plan, the Agency is anticipated to collect \$4,417,122 in Housing Fund revenue and \$13,251,371 in non-housing fund revenue. It should be noted that these are revenue estimates and actual funds available could either increase or decrease depending on the level of actual growth in the assessed valuation of the Project Area.

TABLE 1
PROJECTED TAX INCREMENT REVENUES
CROSSROADS REDEVELOPMENT PROJECT AREA: 2009 to 2013

Fiscal Year	Gross Tax Increment	Taxing Agency Payments	Non-Housing Funds	Housing Funds
			Annual Tax Increment	Annual Tax Increment
2008-09	\$ 3,920,774	\$ 815,520	\$ 2,446,562	\$ 815,520
2009-10	\$ 4,077,604	\$ 848,141	\$ 2,544,425	\$ 848,141
2010-11	\$ 4,240,709	\$ 882,067	\$ 2,646,202	\$ 882,067
2011-12	\$ 4,586,750	\$ 917,350	\$ 2,752,050	\$ 917,350
2012-13	\$ 4,770,220	\$ 954,044	\$ 2,862,132	\$ 954,044

FUNDING SUMMARY

Plan Year	Fiscal Year	Estimated Project Funding	
		Non-Housing	Housing
First	2008-09	\$ 2,446,562	\$ 815,520
Second	2009-10	\$ 2,544,425	\$ 848,141
Third	2010-11	\$ 2,646,202	\$ 882,067
Fourth	2011-12	\$ 2,752,050	\$ 917,350
Fifth	2012-13	\$ 2,862,132	\$ 954,044

Five Year Work Program:

PROJECT or PROGRAM	DESCRIPTION	BLIGHTING CONDITIONS to be ALLEVIATED or REMOVED
Housing Enhancement Loan Program (i.e., HELP)	Continue to implement and improve single-family rehabilitation program to assist low to moderate households.	Assist with deferred maintenance, code deficiencies, health and safety violations and zoning deficits.
Commercial Rehabilitation Program (i.e., Renaissance)	Develop and implement a commercial rehabilitation (store front) program to assist existing and new small business and property owners.	Improve commercial buildings and increase retail and office activity.
Nodes & Gateway Development	Proactively seek and assist in development of new commercial, residential, and mixed-use projects at community nodes and gateways.	Satisfy and support residential and commercial needs of community, encourage visitors and new commercial business.
Multi-Family Development	Assess potential of working with multi-family residential property owners on a case-by-case basis regarding rehabilitation and redevelopment opportunities.	Retain, improve and enhance existing multi-family dwellings.
Economic Development	Investigate, develop, and implement a program to retain, attract, and expand existing neighborhood supporting and serving businesses.	Increase commercial development that directly serves the specific needs of the community.
Infrastructure & Park Deficiencies	Begin and continue to work with City Departments to address infrastructure and park deficiencies.	Provide public improvements and facilities to support, assist and encourage rehabilitation and development.

Five Year Work Program (continued):

PROJECT or PROGRAM	DESCRIPTION	BLIGHTING CONDITIONS to be ALLEVIATED or REMOVED
Mobility Plan(s) and/or Master Infrastructure Improvement Plan(s)	Investigate developing a plan for improving mobility and infrastructure along El Cajon Blvd., University Ave., College Ave., and Streamview Dr. Eventually implement and fund plan recommendations.	Provide adequate public improvements to increase commercial activity by improving mobility and infrastructure.
Low & Moderate-Income Housing Funds	Implement and monitor the housing strategy for expenditure of low and moderate-income housing funds.	Retain, provide and enhance all types of affordable housing within area.
Additional Funding	Apply for Federal, State, and other grant funds to implement public improvements and private development projects.	Increase the amount of public aid and funding for public improvements.
Bond Financing	Prepare to issue bonds or obtain a line of credit which will be secured by tax increment revenue. Eventually issue tax allocation bond(s) or obtain line(s) of credit to finance improvements, projects and programs.	Increase the amount of financial assistance available for public and private improvements, projects and programs.
Public Agency Coordination	Monitor, coordinate, & expand activities with other public agencies including business outreach and marketing, housing programs, and infrastructure and park improvements.	Achieve the most efficient process for providing developments, projects and programs to facilitate improvements, rehabilitation and redevelopment.
Education & Communication	Continue to educate and update communities, organizations, residents, property owners and business owners on redevelopment process and issues.	Encourage community involvement in addressing needs of area as well as educate the public about redevelopment.
Opportunity Fund	Establish and continue to provide funding for property acquisition and reparcelization efforts.	Acquire and assemble underutilized and odd shaped parcels for redevelopment consistent with community plan.
CentrePoint (Mixed-Use Project)	Continue implementation of project.	Develop this project consistent with the community plan.
Chollas Triangle Area (Mixed-Use & Transit Oriented Project)	Solicit ideas and development proposals from property owners, business owners, and other interested individuals or organizations and implement project(s).	Develop these underutilized parcels of land, promote development and enhance University Avenue.

Five Year Work Program (continued):

PROJECT or PROGRAM	DESCRIPTION	BLIGHTING CONDITIONS to be ALLEVIATED or REMOVED
Community Participation	Continue to solicit ideas and development proposals from residents, property owners, business owners, other individuals and community organizations.	Encourage community involvement in redevelopment process to invest in their community and aid in addressing needs.
Project Area Committee (i.e., PAC)	Staff the PAC as appropriate to monitor project activities and coordinate community and PAC input.	Encourage a variety of perspectives and interests in the community to address all redevelopment issues.

V. EXPLANATION OF HOW THE GOALS AND OBJECTIVES, PROGRAMS, PROJECTS AND EXPENDITURES WILL ELIMINATE PROJECT AREA BLIGHTING CONDITIONS

The Redevelopment Plan includes development of new and rehabilitated commercial, residential, mixed-use, park and recreation, transportation and public facilities. The Plan proposes to alleviate the adverse conditions in the Project Area by removing physical and economic blighting conditions, providing affordable housing, encouraging new investment, reinvestment and improving pedestrian, traffic, mobility and parking conditions within the Crossroads Redevelopment Project Area.

This five year implementation plan proposes to eliminate and prevent the spread of blight and to conserve or rehabilitate the Project Area in accordance with all community plans for the Crossroads Redevelopment Project Area, the General Plan, and local codes and ordinances. Redevelopment relies upon successful application of capital resources to the acquisition, assemblage and preparation of parcels, proper development phasing, and accurately addressing the needs of the communities and neighborhoods. A coordinated effort to phase-in new development over this five year plan and the life of the project will achieve these objectives.

The projects and programs in this Plan will enable the Agency to assist in implementing the improvements described in the College Area and Mid-City Communities Plans, which are guided by the General Plan. These plans envision upgraded commercial nodes and gateways, with mixed use development, transit and pedestrian orientation. Fostering commercial and mixed-use development and additional employment opportunities will benefit the Project Area. As needed, the Agency will assist in assembling land for new development. The Community Plans also focus on improving parking opportunities, and traffic flow, and maintaining and developing parks, public facilities and existing open space.

The proposed housing programs will stabilize residential neighborhoods and stem the spread of blight. The Implementation Plan will assist in providing and maintaining very low, low and moderate income housing. The Agency proposes new housing development, housing assistance programs such as residential rehabilitation programs.

In addition to housing programs, the Plan proposes to implement programs to assist with the rehabilitation, expansion, and attraction of new community serving commercial uses and space (retail, office and live-work). Commercial development (rehab, expansion, and new) will be focused on commercial property throughout the project area. However, office, mixed-use and employment opportunities will be pursued along El Cajon Boulevard and University Avenue where connections to mass transit will provide opportunities for such growth.

The Agency is seeking a qualified development team to design a mixed-use development utilizing the majority of the area identified as Chollas Triangle. The Site is bound by the north side of University Avenue to the North, Chollas Parkway to the South/East and 54th Street to the West. The Chollas Triangle Site is within the Eastern Neighborhoods of El Cerrito Heights and Redwood Village as defined by the Mid-Cities Community Plan.

The Site is surrounded by primarily multi-family housing with single family housing to the west of 54th Street. University Avenue is a main thoroughfare for vehicular traffic and bus routes serving the area. The street is the hub of commercial activity with commercial storefronts throughout its length. The goal of the development project is to create a mixed-use village with a combination of commercial, retail, residential (affordable and market rate) open space and infrastructure improvements.

Finally, the Agency will supplement both economic development and housing programs with needed infrastructure upgrades. The area lacks adequate parking, public transportation opportunities and suffers from overburdened traffic loads. Overall, the Project Area does not have adequate parks, public facilities or open space.

The proposed projects and programs will alleviate the blighting conditions prevalent in the Project Area. Without redevelopment tools and tax increment revenue made available by the adoption of the Redevelopment Plan, the area will continue to deteriorate.

Blighting Conditions Alleviated or Removed by Programs:

These programs will begin to address the following conditions of blight identified in the Project Area:

- Factors Hindering Viable Use
- Unsafe/Unhealthy Buildings
- Lots of Irregular Shape and Form that are in Multiple Ownership

- Incompatible Uses
- Depreciated Values/Impaired Investments

VI. EXPLANATION OF HOW THE GOALS AND OBJECTIVES, PROGRAMS, PROJECTS AND EXPENDITURES WILL IMPLEMENT PROJECT AREA HOUSING REQUIREMENTS

Goals and Objectives:

The California Community Redevelopment Law (“CCRL”) requires that not less than twenty percent (20%) of all tax increment generated by the project shall be used for the purpose of increasing the community’s supply of very low, low and moderate income housing. Additionally, affordable dwelling units shall remain affordable for not less than the period of land use controls established in the project plan. The Redevelopment Project’s on-going goal is to develop housing in compliance with current legislation and available project resources.

Low and Moderate Income Housing Set-Aside Fund:

- **Amounts Available to Housing Fund**

It is estimated that there is currently \$ 1,250,000 in the Crossroads Low and Moderate Income Housing Set-Aside Fund.

Projections of annual Low and Moderate Income Housing Set-Aside Fund is anticipated to be received for the Project Area over the next five years are shown in Table 2 below.

Table 2: Projected Housing Set-Aside Funds

FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
\$ 815,520	\$ 848,141	\$ 882,067	\$ 917,350	\$ 954,044

Upon receipt by the agency, these funds will be used to generate housing within the Project Area. Funds will be expended as opportunities for housing assistance are identified.

- **Projected Housing Units and Funds Expended (FY 2009-2013)**

Approximately 30-40 dwelling units could be developed exclusively using housing set-aside funds. The actual amount of housing set-aside funds will depend upon actual tax increment receipts. The actual number of units developed will depend the cost of the units, on private sector collaboration opportunities, the availability of tax increment-backed debt financing

and the ability to leverage Agency funds. Projected housing fund expenditures will be used for housing development, administration, and loan debt service payments. The Agency hopes to issue tax allocation bonds or obtain a line of credit to fund affordable housing projects.

- **Projected Housing Units** (Table 3)

PROJECTS	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	TOTAL
Non-Agency Assisted	29	36	44	51	58	218
Proposed Agency Assisted	4	5	7	8	9	33
Total Proposed Housing	33	41	51	59	67	251

HOUSING CATEGORY	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	TOTAL
Market Rate	29	36	44	51	58	218
Low to Moderate Income	2	3	4	5	5	19
Very Low Income	2	2	3	3	4	14
Total	33	41	51	59	67	251

- **Projected Housing Fund Expenditures** (Table 4)

FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
\$ 750,278	\$ 780,289	\$ 811,501	\$ 843,962	\$ 877,420

Agency-Developed and Project Area Housing:

The Housing Compliance Plan, as required by California Community Redevelopment Law, estimates the number of new and rehabilitated dwelling units to be developed in the Project Area and the number of units for very low, low and moderate income households to be developed in order to meet inclusionary housing requirements. The inclusionary housing requirements state that: 1) fifteen percent (15%) of all new or rehabilitated dwelling units developed by public or private activities in a redevelopment project area shall be affordable to low and moderate income households, of which forty percent (40%) shall be available at affordable housing cost to very low income households; 2) thirty percent (30%) of all new and rehabilitated dwelling units developed by an Agency shall be affordable for low and moderate income households; and 3) of which not less than fifty percent (50%) shall be affordable by very low income households.

The Agency is not expected to develop units itself, but will assist private entities and other public agencies with the development of housing. Therefore, the Agency will seek to exceed the fifteen percent (15%) minimum requirement.

- **Housing Unit Estimates Next 10 Years and Life of Plan**

The projected (estimated) numbers of new housing (dwelling) units that could be developed over the next ten-years and over the life (2033) of the Redevelopment Plan are 1,000 units and 2,500 units, respectively.

- **Housing Unit Estimates for Very Low, Low and Moderate-Income Households Next 10 Years and Life of Plan**

Based on total projected housing unit production over the next ten-year period, the Redevelopment Agency will seek to provide 60 units at prices affordable to households defined as very low-income and 90 units at prices affordable to households defined as low and moderate income (a total of 150 units). The actual number of units developed will depend on market conditions and be determined as specific projects are pursued.

- **Number of Very Low, Low and Moderate-Income Units Already Developed**

To date, the Agency has not assisted in the development of affordable housing units within the Project Area. Currently the Agency has a disposition and development agreement with a private developer that would result in the development of approximately 47 for-sale dwelling units affordable for moderate-income families over the next five-years.

- **Number of Agency-Developed Units**

As stated above, the Agency does not anticipate developing dwelling units itself. It will, however, leverage its resources to assist private entities and other public agencies with the development of housing.

- **Number of Agency-Developed Very Low, Low and Moderate-Income Units**

As noted, the Agency does not anticipate developing dwelling units itself. It will, however, leverage its resources to assist private entities and other public agencies with the development of housing.

Replacement of Dwelling Units Destroyed or Removed:

The Redevelopment Plan calls for focusing new development along the main transportation/commercial corridors that historically have accommodated commercial and mixed-use development. Minimal residential displacement is expected to be necessary to carry out the commercial and mixed-use development components of the Plan. If residential buildings were to

be removed for commercial or mixed-use projects, they would most likely be those buildings that are in a state of deterioration or located on parcels designated for commercial or mixed uses in the commercial corridors of Project Area. Units removed or destroyed will be replaced as required by CCRL.

Through the implementation of the CentrePoint mixed-use project nine affordable residential units were destroyed. All nine affordable units will be replaced in compliance with the CCRL and pursuant to the replacement housing plan which was adopted by the Redevelopment Agency on November 29, 2005 (R-03979), as it may be amended. The requirements of Section 33490(a)(3) of the CCRL will be met when projects are identified that would require the removal of affordable dwelling units. When this occurs, the Agency will provide suitable locations for replacement housing in compliance with the requirements of Section 33413(a) of the CCRL.

VII. AFFORDABLE HOUSING COMPLIANCE PLAN

The provisions of Section 33413(b)(4) of the CCRL require the Redevelopment Agency to adopt and periodically update a plan to ensure compliance with the existing criteria of Section 33413 of the CCRL regarding the affordability mix of new or rehabilitated housing units ("Housing Compliance Plan"). Section 33413(b)(4) of the CCRL further requires that the Housing Compliance Plan be prepared as part of the implementation plan required by Section 33490 of the CCRL, that the Housing Compliance Plan be consistent with the jurisdiction's housing element, and that the Housing Compliance Plan be reviewed and, if necessary, amended at least every five (5) years with either the housing element cycle or the implementation plan cycle.

This Affordable Housing Compliance Plan is consistent with The City of San Diego Housing Element FY 2005-FY 2010 that was adopted by the City Council on December 5, 2006.

The following narrative addresses the requirements pursuant to Section 33413(b)(4) and Section 33490(a)(2)(A), (B), and (C) of the CCRL:

- **The amount available in the Low and Moderate Income Housing Fund and the estimated amounts that will be deposited in the Low and Moderate Income Housing Fund during each of the next five years.**

Table 1 indicates the annual projected housing fund revenues over the next five years. The projected deposits to the Crossroads Low and Moderate Income Housing Fund during the next five years will total approximately \$4.4 million.

- **Estimates of the number of new, rehabilitated, or price-restricted units to be assisted during each of the five years and estimates of the expenditures of moneys from the Low and Moderate Income Housing Fund during each of the five years.**

It is estimated that there is currently \$1.2 million in the Crossroads Low and Moderate Income Housing Fund.

Table 2 indicates the annual deposits to the Crossroads Low and Moderate Income Housing Fund between July 2009 and June 2013. Available funding for affordable housing is estimated to be approximately \$4.4 million. The Agency proposes assisting with construction of approximately 30-40 dwelling units during this Implementation Plan period. The actual number of units developed will depend on the cost of the units, on private sector collaboration opportunities, the availability of tax increment backed debt financing and the ability to leverage Agency funds.

The Agency will also assist with the rehabilitation of existing units but the assistance given to these units is not anticipated to meet the cost threshold to be designated as “substantial rehabilitation.” The Agency anticipates assisting with the rehabilitation of approximately 10-12 units per year.

During the five years of the Plan, the Agency estimates that \$4.4 million will be expended on these housing programs.

- **An estimate of the number of new, substantially rehabilitated or price-restricted residential units to be developed or purchased within the Project Area, both over the life of the Redevelopment Plan and during the next ten years.**

The Agency anticipates that about 1,000 new units will be developed by private entities or with Agency assistance within the next ten years (2009 – 2019). Over the life of the Project Area (2033) about 2,500 new units are anticipated to be developed by both private and Agency assisted development.

It is estimated that over the life of the Project Area (2033), approximately 500 units within the Project Area and adjoining the Project Area may be rehabilitated although it is unlikely that many of these would meet the requirements of “substantial rehabilitation.” It is further anticipated that the Agency may provide rehabilitation assistance to approximately one-half of these units. All newly constructed units and substantially rehabilitated units that are given Agency assistance will be required to be price-restricted consistent with the CCRL (at least 55 years for rental housing or 45 years for homeownership housing).

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- **An estimate of the number of units of very low, low- and moderate-income households required to be developed within the Project Area in order to meet the requirements of Section 33413(b)(2) of the CCRL, both over the life of the Redevelopment Plan and during the next ten years.**

At least 15% of any new or substantially rehabilitated units would need to be affordable to low and moderate income persons. Of these affordable units, at least 40% would need to be reserved for very low-income households, pursuant to Section 33413(b)(2) of the CCRL.

The Agency anticipates that about 1,000 new units will be developed by private entities or with Agency assistance within the next ten years (2009 – 2019). CCRL Section 33413(b)(2) requires that 15% or 150 units be developed for low and moderate income persons and of those 150 units, 40% or 60 units must be made available to very low income persons.

Because of high land values, it is not anticipated that rehabilitation to dwelling units would meet the criteria defined by the CCRL to be classified as substantially rehabilitated.

Over the life of the Project Area (2033) about 2,500 new units are anticipated to be developed by both private and Agency assisted development. 15% of these units or 375 units must be affordable to low and moderate income persons. Of these 375 units 150 are required to be affordable to very low income persons.

- **The number of units of very low, low-, and moderate-income households which have been developed within the Project Area which meet the requirements of Section 33413(b)(2) of the CCRL.**

To date, the Agency has not assisted in the development of affordable units within the Project Area. The Agency has an agreement in place that would result in the development of approximately 47 additional homeownership units affordable to moderate income families. These units are expected to be completed in the next five years.

- **An estimate of the number of Agency-developed residential units which will be developed during the next five years, if any, which will be governed by Section 33413(b)(1) of the CCRL.**

The Agency does not anticipate developing or substantially rehabilitating any residential units itself during the next five years. The Agency may assist private owners in constructing new residential units.

- **An estimate of the number of Agency-developed units for very low, low-, and moderate-income households which will be developed by the Agency during the next five years to meet the requirements of Section 33413(b)(1) of the CCRL.**

The Agency does not anticipate developing any residential units itself during the next five years. Therefore, the requirements of this section do not apply at this time.

To ensure compliance with CCRL Section 33334.4:

- **The number of housing units needed for very low, low and moderate income persons as each of those needs have been identified in the most recent determination pursuant to Government Code Section 65584 (of the regional share of the statewide housing need), and the proposed amount of expenditures from the Housing Fund for each income group during each year of the Implementation Plan period.**

Listed below are the numbers of housing units needed by income category according to statewide housing need for the San Diego region for the period of January 1, 2003 through June 1, 2010. For the proposed amount of expenditures from the Crossroads Low and Moderate Income Housing Fund for each income group during each year of the Plan period see Table 4.

Income Level	Number of Housing Units	Percentage of Housing Units
Very-low Income	10,645	23.2 %
Low-Income	8,090	17.7 %
Moderate-Income	8,645	18.9%
Above Moderate-Income	18,362	40.2%
TOTAL	45,741	100%

- **The total population of the City of San Diego and the population under age 65 as reported in the most recent census of the United States Census Bureau.**
 - o City of San Diego total population according to Census 2000 – 1,223,400.
 - o City of San Diego population under 65 years of age according to Census 2000 – 1,095,392.
 - o Seniors represent 10%.

- **A detailed schedule of actions the Agency is undertaking or intends to undertake to ensure expenditure of the Housing Fund in the proportions required by CCRL Section 33334.4.**

The Agency will expend Crossroads Low and Moderate Income Housing Funds in the proportions cited above to ensure compliance with Section 33334.4.

- **For the previous Implementation Plan period, the amounts of Housing Fund moneys utilized to assist units affordable to and occupied by very low income households and low-income households; the number, location and level of affordability of units newly constructed with other locally controlled government assistance and without Agency assistance and that are required to be affordable to, and occupied by, persons of low or very low income for a least 55 years for rental housing or 45 years for ownership housing; and the amount of Housing Fund moneys utilized to assist housing units available to families with children, and the number, location, and level of affordability of those units.**

To date, the Agency has not assisted in the construction of affordable units within the Project Area.

Means to Accomplish Requirements:

The Agency intends to use revenue in the Crossroads Low and Moderate Income Housing Fund and any other appropriate funds available to the Agency under the Plan, including, but not limited to the Agency's citywide bond funding for affordable housing, the Department of Housing and Urban Development funds and Community Development Block Grants, and rental subsidies through the Section 8 program. Available, low-income housing tax credits and tax exempt financing mechanisms may also be used by the Agency. Policies and programs such as providing affordable housing incentives for developers, permitting manufactured housing, and inclusionary housing programs will be explored by the Agency. The Agency will also provide rehabilitation loans and grants.

VIII. SUMMARY

The Second Implementation Plan for the Crossroads Redevelopment Project establishes a framework and guidelines for the next five years of activity by the City of San Diego Redevelopment Agency. It is anticipated that the Agency will act in the lead on some projects but will primarily provide assistance to numerous other parties, including private property owners, businesses, profit and non-profit developers, private investors, community organizations, private non-profit housing agencies, other public agencies and local residents in the pursuit of redevelopment goals and objectives for improvement of the redevelopment project area. A number of project opportunities have been identified and are expected to be pursued in the next five years. Some improvements have already been accomplished (i.e., El Cajon Medians) but significant blighting conditions remain in the project area. This plan provides a guide for improving those conditions.